



California Fair Political Practices Commission

April 6, 1988

Gary R. Baker
Executive Director
State Ethics Commission
1122 Lady Street, Suite 930
Columbia, SC 29201

Re: Your Request for Advice
Our File No. I-88-089

Dear Mr. Baker:

We have received your February 25, 1988 letter regarding the honoraria provisions of California's Political Reform Act (the "Act").^{1/}

QUESTION

Does California have any statute or regulations which address the acceptance of honoraria by public officials or by college and university faculty members?

CONCLUSION

The Political Reform Act does not prohibit public officials or faculty members from receiving honoraria. The receipt of honoraria must, however, be disclosed by public officials and faculty members. In certain circumstances, they may be prohibited from participating in decisions affecting the donor of honoraria.

DISCUSSION

The Political Reform Act (enclosed) was a ballot initiative approved overwhelmingly by the voters in 1974. The Act was designed to accomplish several purposes. It requires the public disclosure of campaign contributions and expenditures during elections, regulates the activities of lobbyists, and requires public officials to disclose their financial interests and in appropriate circumstances disqualify themselves from participating in decisions which may affect those interests.

^{1/} Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated.

Gary R. Baker
April 6, 1988
Page 2

The Act requires public officials to disclose investments, real property interests, and their sources of income, including loans and gifts. (Sections 87200-87210.) Any payment received for speaking at an event, participating in a panel or seminar, or engaging in any similar activity is a reportable source of income which must be disclosed as honoraria. (2 Cal. Code of Regs. Section 18728, copy enclosed.)

The Act does provide, however, that no public official may make or participate in making decisions which will have a material financial effect on a person or entity who is a source of income or donor of a gift valued at \$250 or more. (Sections 87100-87103.) So, while there is no prohibition or restriction on the amount of honoraria a public official may receive, he or she may be disqualified from participating in decisions affecting the source of honoraria.

State college and university faculty members disclose their financial interests in a different manner. Faculty members do not normally participate in the type of decisions other public officials do. The only potential for a conflict arises when the faculty member is the recipient of a research grant or gift from an entity in which he or she has a financial interest. When this occurs, the faculty member must disclose the financial tie to an independent campus review committee. The committee then determines whether there is a substantial conflict of interest between the donor of the grant and the faculty member and further determines if receipt of the grant furthers the purposes of the university or benefits the interests of the donor.

Again, the Act does not prohibit the receipt of honoraria by faculty members, but does require disclosure in the event of a potential conflict.


There are two initiatives slated for California's June 1988 ballot which could limit the amount of honoraria a public official may receive. The Gerken initiative (Proposition 68) would limit the amount of honoraria a state legislator could receive to \$2,000 from one source during a two-year period. The second measure, the Johnson initiative (Proposition 73), limits the amount any elected officer could receive to \$1,000 from one source in a year excluding reimbursement for travel expenses. Both these measures go before the voters at the June 7 primary election.

Gary R. Baker
April 6, 1988
Page 3

I hope this answers your questions satisfactorily. If we can be of further assistance, please do not hesitate to contact us at (916) 322-5901.

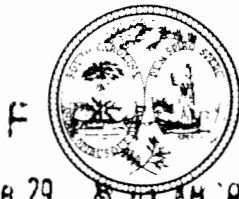
Sincerely,

Diane Griffiths
General Counsel


By: Jeanette E. Turvill
Legal Assistant
Legal Division

JET:jaj
Enclosures

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FEB 29 8 41 AM '88

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GARY R. BAKER
EXECUTIVE DIRECTOR

State of South Carolina State Ethics Commission

(803) 734-1227
1122 Lady Street, Ste. 930
Columbia, S.C. 29201

February 25, 1988

TO: ETHICS COMMISSION DIRECTORS


Once again I am writing to request your assistance. At the last meeting of the State Ethics Commission, the members discussed possible legislation prohibiting the receipt of honoraria by public officeholders. The Commission sought further input from the General Counsels at the public colleges and universities. The universities and the faculties here have been extremely vocal on this proposal. In order to provide the Commission with full information on this matter, I would like your response to the following questions:

- (1) Does your state have a statute, regulation, etc. which addresses the acceptance of honoraria by public officeholders?
- (2) Does your state have any special provisions regarding the acceptance or prohibition against acceptance of honoraria by faculty members?

If your state does have statutes, regulations, or provisions regarding the acceptance or prohibition against acceptance of honoraria, could you provide us with a copy?

Thank you for your assistance.

Sincerely,


Gary R. Baker
Executive Director

GRB:lpb



California Fair Political Practices Commission

March 23, 1988

George W. Falltrick
926 J Street, Ste. 801
Sacramento, CA 95814

Re: Your Request for Advice
Our File No. I-88-090

Dear Mr. Falltrick:

I apologize for the delay in confirming my telephone advice concerning your lobbyist registration.

On February 17, 1988, you informed me that you are currently registered as an employee lobbyist for the Brotherhood of Railway, Airline and Steamship Clerks. Although you are retiring and will no longer be receiving a salary, you indicated that you plan to continue providing lobbying services to the organization and that the organization will continue to provide you with office space and compensate you for expenses. In addition, you stated that later in the year you hope to contract with other entities or organizations to provide lobbying services.

I advised you that because the Brotherhood is providing you with office space and compensation for expenses, you are not eligible to terminate your status as a "lobbyist" as defined in Government Code Section 82039. In addition, because you are no longer an employee of the Brotherhood, you should register at this time as a lobbying firm.

Enclosed are the forms you will need to register as a firm. Please call me at (916) 322-5662 if you need additional assistance.

Sincerely,

Carla Wardlow

Carla Wardlow
Political Reform Consultant

COMMISSIONERS
EDWARD E. DURYEA, 1ST DISTRICT
CHAIRMAN



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88-089
COMMISSIONERS
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GARY R. BAKER
EXECUTIVE DIRECTOR

State of South Carolina

State Ethics Commission

(803) 734-1227
1122 Lady Street, Ste. 930
Columbia, S.C. 29201

February 25, 1988

TO: ETHICS COMMISSION DIRECTORS

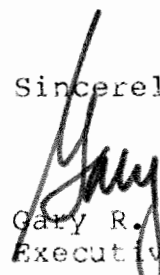
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If your state does have statutes, regulations, or provisions regarding the acceptance or prohibition against acceptance of honoraria, could you provide us with a copy?

Thank you for your assistance.

Sincerely,


Gary R. Baker
Executive Director

GRB:lpb



California Fair Political Practices Commission

February 29, 1988

Gary R. Baker
State of South Carolina
State Ethics Commission
1122 Lady Street, Suite 930
Columbia, SC 29201

Re: 88-089

Dear Mr. Baker:

Your letter requesting advice under the Political Reform Act was received on February 29, 1988 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact Jeanette Turvill, in the Legal Division, directly at (916) 322-5901.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, we will contact you shortly to advise you as to the information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Code of Regs. Sec. 18329).)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

Diane M. Griffiths
General Counsel

DMG:plh